

API-GCMT MEMBERSHIP MEETING

KEY MARITIME ISSUES

RADM R. C. NORTH

8 OCTOBER 1998

INTRODUCTION

GOOD MORNING. IT'S A DISTINCT PLEASURE AND HONOR TO BE HERE. MY THANKS TO GUS ELMER, ART STEPHEN AND API FOR INVITING ME TO PARTICIPATE TODAY. I'M PLEASED TO SEE CAPT GREG ADAMS HERE.

ITS ALWAYS GOOD TO GET OUTSIDE THE BELTWAY AND SPEND TIME WITH YOU ALL. YOUR MEETING AGENDA IS VERY INTERESTING. I'M SORRY I WON'T BE ABLE TO STAY. I'M ESPECIALLY INTERESTED IN YOUR WATERWAYS AND SAFETY WORKING GROUP REPORTS.

MY REMARKS TODAY WILL CONSIST OF AN UPDATE ON ISM IMPLEMENTATION, WATERWAYS MANAGEMENT, AND IMO ACTIVITY – ALL ISSUES THAT GUS ASKED ME TO ADDRESS. THEN WE CAN DO SOME Q & A.

AS YOU KNOW, ISM BECAME EFFECTIVE FOR TANKERS, BULKERS AND PASSENGER VESSELS AS OF 1 JULY THIS YEAR. SO WHAT ARE THE INITIAL RESULTS?

WELL, SINCE JULY 1, WE HAVE NOT YET HAD TO TURN AWAY FROM A SINGLE VESSEL FROM U.S. WATERS BECAUSE OF ISM NON-CERTIFICATION OR NON-COMPLIANCE. IN ADDITION, ALL U.S. FLAG SHIPS ARE CERTIFIED THAT REQUIRED CERTIFICATION.

WE HAD MADE IT CLEAR TO OUR OWN U.S. FLAGGED VESSELS THAT WE WOULD RESTRICT TO DOMESTIC VOYAGES ONLY, ANY VESSEL THAT DID NOT MEET THE ISM CODE IMPLEMENTATION DATES.

IN ADDITION, VERY FEW ISM NON-CONFORMITIES HAVE BEEN FOUND DURING COAST GUARD PORT STATE CONTROL BOARDING SINCE JULY 1.

THE EXPERIENCE OF OTHER PORT STATES WITH STRONG ISM ENFORCEMENT POSTURES HAS BEEN ABOUT THE SAME. WHY?

- THERE WAS AN EXTENSIVE WORLDWIDE EDUCATIONAL CAMPAIGN. THE IMO, PARIS AND TOKYO MOU'S AND THE LARGE PORT STATES ALL ADVERTISED THAT NON-COMPLIANCE WOULD NOT BE TOLERATED. THEREFORE, MANY SHIP OPERATORS TOOK AGGRESSIVE STEPS TOWARD COMPLIANCE.

- LEADERSHIP SHOWN BY API, INTERTANKO, BIMCO, ETC. IN PROMOTING AND PREPARING FOR ISM IMPLEMENTATION AND COMPLYING WITH IT – YOU ALL DESERVE A GREAT DEAL OF CREDIT. THANK YOU FOR YOUR STEADFAST AND PROACTIVE EFFORTS.
- MOST SHIPS THAT ARRIVED IN THE U.S. DURING THE PRE-ENFORCEMENT CAMPAIGN WERE WELL ALONG WITH COMPLIANCE, BUT HAD NOT YET RECEIVED CERTIFICATION AT THE TIME OF BOARDING. THOSE SHIPS WERE REPORTED AS NON-COMPLIANT IN OUR DATABASE, AND COMPLETED CERTIFICATION BY THE DEADLINE.
- EXTENSIVE COOPERATION BETWEEN STATES- WE’VE PLEDGED TO PROVIDE ALL THE MOU COUNTRIES WITH THE NAMES OF ANY VESSELS DENIED ENTRY FOR ISM NON-COMPLIANCE, AND THE PARIS MOU IS DOING THE SAME. AS OF TODAY, THE PARIS MOU HAS ONLY REPORTED 1 VESSEL BANNED FOR ISM CON-COMPLIANCE, AND THAT VESSEL WILL NOT ENTER U.S. WATERS WITHOUT DEMONSTRATING COMPLIANCE FIRST AS A RESULT OF THIS COOPERATION.
- AND FINALLY, WE PRESUME THAT NON-COMPLIANT SHIPS HAVE ELECTED NOT TO RETURN TO U.S. WATERS.

WE HAVE HAD FOUR INCIDENTS WITH THE CODE THAT I CAN SHARE TO DEMONSTRATE HOW THE CODE IS WORKING, AND HOW IT IS NOT.

AFTER A NEAR MISS INCIDENT LAST JULY, A BOARDING WAS CONDUCTED ABOARD A FOREIGN FLAG TANKER. IT WAS FOUND THAT THE VESSEL'S ARPA WAS INOPERATIVE, CREWMEN WEREN'T GETTING SUFFICIENT REST, AND WATCHSTANDERS WERE NOT COMPLYING WITH THE MASTER'S STANDING ORDERS.

AN EXPANDED ISM BOARDING WAS CONDUCTED AS PART OF THE PORT STATE CONTROL BOARDING BECAUSE OF QUESTIONS THAT AROSE ABOUT THE ADEQUACY OF THE VESSEL'S SAFETY MANAGEMENT SYSTEM. THE ISM ISSUING AUTHORITY WAS CALLED TO ATTEND THE VESSEL AS A RESULT OF THESE DEFICIENCIES.

THEY BOARDED THE VESSEL TO AUDIT THE SAFETY MANAGEMENT SYSTEM AGAINST THE REQUIREMENTS OF THE CODE. FINALLY, IMMEDIATE, CORRECTIVE ACTIONS WERE IMPLEMENTED BY THE VESSEL MANAGERS, AND THE VESSEL WAS RELEASED FROM DETENTION.

WHAT WAS THE DIFFERENCE WITH THIS BOARDING NOW THAT THE CODE IS IN FORCE? BEFORE JULY 1, THE VESSEL WOULD HAVE BEEN REQUIRED TO CORRECT THE DEFICIENCIES AND WOULD HAVE BEEN ON THEIR WAY.

NOW, THAT IS NOT ENOUGH. A THOROUGH REVIEW OF THEIR SAFETY MANAGEMENT SYSTEM WAS CONDUCTED, AND BENEFICIAL CORRECTIVE ACTIONS WERE INSTITUTED THROUGHOUT THE COMPANY'S FLEET THAT SHOULD DRAMATICALLY INCREASE SAFETY.

ANOTHER CASE INVOLVED A FOREIGN FLAG BULKER THAT WAS DETAINED IN NEW ORLEANS AFTER AN EXPANDED INVESTIGATION RAISED CONCERNS OVER THE SAFETY MANAGEMENT SYSTEM. AN EXTERNAL AUDIT CONDUCTED BY A TEAM DESIGNATED BY THE FLAG STATE FOUND THAT ALTHOUGH THERE WAS A SAFETY MANAGEMENT SYSTEM IN PLACE, THE MASTER WAS NOT FULLY CONVERSANT WITH CERTAIN ASPECTS OF IT AND THAT HE NEEDED TO BE EDUCATED.

TWO OTHER INCIDENTS ILLUSTRATE THE DIFFICULTIES WITH THE CODE THAT WE ARE STILL TRYING TO DEVELOP ACTION PLANS TO ADDRESS.

DURING A ROUTINE PORT STATE CONTROL EXAM OF A BULKER ON THE GULF COAST, SERIOUS DEFICIENCIES WITH AN INOPERABLE EMERGENCY GENERATOR, EXCESSIVE FUEL LEAKS IN THE ENGINE ROOM, AN INOPERABLE FIRE PUMP, SEVERAL LIFESAVING EQUIPMENT DEFICIENCIES, AND OVERDUE CONDITIONS OF CLASS FOR LIFEBOAT DAVIT REPAIRS LED TO THE VESSEL'S DETENTION.

AN EXPANDED ISM EXAM WAS CONDUCTED BECAUSE OF A FAILURE TO CORRECT IDENTIFIED DEFICIENCIES AND A DISCOURAGING REPORT FROM A SHORESIDE CONTRACTOR THAT IDENTIFIED A COMPLETE LACK OF MAINTENANCE WITH THE VESSEL'S CRANES, GENERATORS AND MACHINERY.

THE COAST GUARD'S EXPANDED EXAM OF THE SAFETY MANAGEMENT SYSTEM DISCOVERED AN UNRESOLVED MAJOR NON-CONFORMITY AND ADDITIONAL DEFICIENCIES THAT PROVIDED CLEAR GROUNDS FOR BELIEVING THAT THE SAFETY MANAGEMENT SYSTEM WAS NOT IMPLEMENTED, EVEN THOUGH A SAFETY MANAGEMENT CERTIFICATE WAS ISSUED IN EUROPE JUST 30 DAYS EARLIER.

AS A RESULT OF OUR EXPANDED EXAM, THE VESSEL WAS REQUIRED TO ORDER AN EXTERNAL AUDIT BY THE ISM ISSUING ORGANIZATION. THIS AUDIT TOOK OVER 14 HOURS TO COMPLETE, AND SEVERAL DEFICIENCIES WERE IDENTIFIED THAT LED OUR CAPTAIN OF THE PORT TO QUESTION WHETHER THE VESSEL SHOULD STILL HAVE A VALID SAFETY MANAGEMENT CERTIFICATE.

THOSE DEFICIENCIES WERE:

- A CHIEF ENGINEER WITH INSUFFICIENT ENGLISH SPEAKING ABILITY;
- A LACK OF REQUIRED PLANS AND CHECKLISTS FOR SAFETY AND ENVIRONMENTAL PROTECTION PROCESSES;
- NO CORRECTIVE ACTION PLANNED FOR SOLAS DEFICIENCIES DISCOVERED DURING THE PORT STATE CONTROL EXAM;
- THE MASTER'S UNFAMILIARITY WITH THE SAFETY MANAGEMENT SYSTEM; AND
- A LACK OF PLANNED MAINTENANCE SCHEDULES.

THE FINAL INCIDENT INVOLVED A FOREIGN FLAGGED BULKER WHICH TRULY DEFINED A SUBSTANDARD VESSEL, YET WAS ISM CERTIFIED. THE VESSEL WAS BUNKERING IN LA/LB. THE CG BOARDED THE VESSEL AND FOUND NUMEROUS DISCREPENCIES:

- FRACTURES IN THE BULKHEAD BETWEEN #4 CARGO HOLD AND FUEL TANK, ALLOWING BUNKER TO FLOW INTO THE CARGO HOLD.
- NO CARGO HATCHES COULD BE CLOSED RESULTING IN A LOAD LINE VIOLATION.
- ALL LIFE RAFTS (EXCEPT ONE 15-20 PERSON RAFT) WERE UNSERVICED, TIED DOWN SO AS TO NOT FLOAT FREE AND QUESTIONABLE IN OPERATIONAL STATUS.
- THE ONLY MOTORIZED LIFEBOAT COULDN'T BE STARTED AFTER NUMEROUS EFFORTS.
- HOLES IN FIREMAIN.
- CREW FAILED FIREFIGHTING AND LIFEBOAT DRILLS.
- INOPERATIVE GYRO, DEPTH SOUNDER AND SECONDARY RADAR.
- CHARTS NOT UPDATED SINCE 1979.
- NO NAVIGATION PUBS WERE FOUND ONBOARD.
- AND DISGUSTING HABITABILITY CONDITIONS, SUCH AS ROACH INFESTATION IN THE FOOD; FOOD WELL PAST EXPIRATION DATES; AND TAINTED POTABLE WATER (CREW WAS REDUCED TO DRINKING A/C CONDENSATE.

WE WILL BE REVIEWING THESE INCIDENTS WITH THE ISSUING ORGANIZATIONS TO FIND OUT HOW IT IS POSSIBLE FOR VESSELS IN THESE CONDITIONS TO BE “ISM CERTIFIED.” I’M SURE THAT THIS WILL NOT BE THE FIRST TIME THAT WE’LL CONFRONT SIMILAR ISSUES. OVERALL, OUR EXPERIENCE WITH ISM HAS BEEN POSITIVE – AND WHERE WE’VE FOUND NON-CONFORMITIES WE BELIEVE ISM PROVIDES FRAMEWORK TO BETTER IMPROVE SAFETY MANAGEMENT AND PERFORMANCE THAN EXISTED BEFORE.

THE CHALLENGE FOR ISM AND STCW IS TO ENSURE THAT THE HUMAN ELEMENT AND SAFETY AND QUALITY SYSTEM PROGRAMS BECOME INSTITUTIONALIZED AS WE MOVE INTO THE NEXT MILLENNIUM. THERE IS A LOT TO DO HERE TO INSTITUTIONALIZE THE “SAFETY CULTURE” AS ITS BEEN CALLED - BEYOND A PAPER EXERCISE, BEYOND THE FIRST ROUND OF IMPLEMENTATION. WE NEED TO KEEP THE PRESSURE ON FOR FULL, CONTINUING AND COMPLETE COMPLIANCE WITH ISM AND STCW.

MTS

NOW, I’D LIKE TO DISCUSS WHERE WE STAND AS A NATION RELATIVE TO WATERWAYS, PORTS, AND INTERMODAL CONNECTIONS AND THE STEPS WE ARE TAKING TO MEET THE NEEDS OF THE 21ST CENTURY.

SOME OF YOU MAY HAVE HEARD ME SAY BEFORE IN PREVIOUS ENGAGEMENTS THAT THE U.S. IS AT A CRITICAL JUNCTURE WITH RESPECT TO THE FUTURE OF ITS MARINE TRANSPORTATION SYSTEM.

AND I DON'T NEED TO GO INTO DETAIL WITH THIS AUDIENCE ON WHAT THE FUTURE TRENDS FOR THE NEXT CENTURY ARE FOR THE MARITIME COMMUNITY AND HOW IMPORTANT OUR MARINE TRANSPORTATION SYSTEM IS TO OUR ECONOMY AND NATIONAL SECURITY.

SUFFICE IT TO SAY THAT MEETING THESE CHALLENGES IS MORE DIFFICULT DUE TO THE FACT THAT OUR WATERWAYS ARE CURRENTLY MANAGED BY A HOST OF FEDERAL AGENCIES INCLUDING COAST GUARD, MARAD, U.S. ARMY CORPS OF ENGINEERS, NOAA, EPA, ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION AND OTHERS.

OVER THE PAST YEAR, WE HAVE BEGUN A SERIOUS EFFORT TO COORDINATE WITH THESE OTHER AGENCIES AS WELL AS TALK WITH STAKEHOLDERS ABOUT THEIR VIEWS ON THE CURRENT AND FUTURE STATE OF OUR WATERWAYS.

WE NEEDED DIRECT STAKEHOLDER INVOLVEMENT - TO ENSURE A CORRECT APPROACH; TO REALLY DETERMINE THE STATUS OF PORTS AND WATERWAYS TODAY; TO DETERMINE THE NEEDS FOR THE NEXT CENTURY; AND TO DETERMINE WHAT NEEDS TO BE DONE TO MEET THOSE NEEDS AT THE LOCAL LEVEL -- THIS IS NOT A WASHINGTON SOLUTION.

LAST SPRING THE COAST GUARD AND MARAD JOINTLY LED SEVEN TWO-DAY REGIONAL LISTENING SESSIONS ON OUR NATION'S MARINE TRANSPORTATION SYSTEM – WATERWAYS, PORTS AND INTERMODAL CONNECTIONS.

TRAVELING TO NEW ORLEANS, OAKLAND, NEW YORK, CLEVELAND, ST. LOUIS, CHARLESTON, AND PORTLAND OREGON, WE LED A COALITION OF FEDERAL AGENCIES I MENTIONED EARLIER.

OUR GOAL WAS TO GET INPUT FROM ALL FACETS OF MARINE INDUSTRY REGARDING THE MOST CRITICAL ISSUES FACING OUR WATERWAYS, PORTS AND INTERMODAL CONNECTIONS. I WAS ABLE TO PERSONALLY PARTICIPATE IN FOUR OF THESE SESSIONS, AND FOUND THEM VERY ENLIGHTENING. MANY OF YOU MAY HAVE TAKEN PART IN THESE SESSIONS.

ALTHOUGH SOME OF THE ISSUES RAISED DURING THE REGIONAL SESSIONS SEEMED REGIONAL IN NATURE, WE'VE FOUND THAT OFTEN WHAT APPEARED TO BE REGIONAL ISSUES WERE REALLY NATIONAL ISSUES AS WELL – REGIONS ARE INTERDEPENDENT. FOR EXAMPLE, IN THE WESTERN RIVERS REGION, THE LOCK AND DAM SYSTEM IMPACTS GRAIN SHIPMENTS TO NEW ORLEANS, LA AND THE GULF REGION.

THERE WERE FIFTEEN RECURRING THEMES IN EACH OF THE LISTENING SESSIONS, SOME OF WHICH I WOULD LIKE TO DISCUSS FURTHER. THE FIFTEEN INCLUDE:

COORDINATION	MEGASHIPS	TECHNOLOGY
CONFLICTS	NATIONAL VISION	FUNDING
DREDGING	PARTNERSHIPS	SAFETY
ENVIRONMENT	PUBLIC AWARENESS	
REGULATIONS	INFRASTRUCTURE	
HUMAN RESOURCES	INFORMATION SYSTEMS	

COORDINATION

THE FIRST ISSUE, AND PERHAPS ONE OF THE MOST FREQUENTLY RAISED, WAS THE LACK OF COORDINATION. NOT ONLY AT THE FEDERAL LEVEL, WHERE AGENCIES DO NOT COORDINATE THEIR EFFORTS TO PROVIDE COMMON MANAGEMENT OVERSIGHT OF CRITICAL ISSUES, BUT ALSO BETWEEN FEDERAL, STATE, LOCAL, AND PUBLIC ENTITIES.

ALSO NOTED FOR HAVING ROOM FOR IMPROVEMENT WAS THE INTERNATIONAL COORDINATION BETWEEN THE U.S. AND CANADA, WHICH OFTEN LEADS TO CONFUSION ABOUT SEAWAY MANAGEMENT POLICIES AND DUPLICATION OF SERVICES.

THERE WAS A DESIRE FOR CREATION OF REGIONAL FEDERAL AGENCY PARTNERSHIPS AND HARBOR SAFETY COMMITTEES AT THE PORT LEVEL TO BETTER COORDINATE FEDERAL ACTIVITY AND INTERFACE W/ STAKEHOLDERS;

WATERWAY CONFLICT & CONGESTION

ANOTHER MAJOR ISSUE IS THE CONFLICT OVER LAND AND WATERWAY SPACE. NOTED IS THE FACT THAT WATERFRONT PROPERTY IS BEING INCREASINGLY UTILIZED FOR RESIDENTIAL AND OTHER NON COMMERCIAL ACTIVITIES, AND THE WATERWAYS THEMSELVES ARE BECOMING MORE CONGESTED DUE TO INCREASED USAGE BY ALL KINDS OF VESSELS – FISHING, RECREATIONAL, AND COMMERCIAL.

INFRASTRUCTURE

THE FACT THAT OUR WATERWAYS ARE CONGESTED AT THIS POINT RAISES SOME SERIOUS QUESTIONS ABOUT THEIR ABILITY TO HANDLE INCREASED LEVELS OF TRAFFIC IN THE FUTURE. OUR INFRASTRUCTURE IS UNDER STRESS AND THAT STRESS IS INCREASING, ESPECIALLY WITH THE INTRODUCTION OF MEGASHIPS BEGINNING TO CALL AT OUR PORTS.

AND, MARITIME INFRASTRUCTURE IS MORE THAN WHARVES, PIERS AND WAREHOUSES. INFRASTRUCTURE ALSO INCLUDES NATURAL AND MAINTAINED CHANNELS, ANCHORAGES, LOCKS, NAVIGATION SYSTEMS, CHARTING, BRIDGES, TERMINALS, AND RAIL AND HIGHWAY CONNECTIONS - ALL THOSE THINGS THAT ALLOW AND FACILITATE SAFE NAVIGATION—AS WELL AS EFFICIENT INTERMODALISM.

SO ASSOCIATED WITH THIS ARE CRITICAL PARAMETERS SUCH AS CHANNEL DIMENSIONS, CAPACITY LIMITS OF TERMINALS AND INTERMODAL CONNECTIONS, AND BRIDGE CLEARANCES OVER WATERWAYS. LIMITS IN OUR INFRASTRUCTURE WILL HAVE A PROFOUND AFFECT ON OUR MARINE TRANSPORTATION SYSTEM AND OUR ECONOMY.

WE FACE SIGNIFICANT CHALLENGES IN UPGRADING AND MODERNIZING OUR INFRASTRUCTURE. FUNDING AND COORDINATION ARE PROBABLY THE MOST OBVIOUS. SIGNIFICANT PROBLEMS IMPACTING DREDGING ARE THE COMPLEX PERMITTING PROCESSES, DISPOSAL SIGHTS, FUNDING, AND ENVIRONMENTAL ISSUES. THERE IS A NEED FOR A STREAMLINED FEDERAL OR STATE PERMIT PROCESS, AND DISPOSAL.

ENVIRONMENT

ENVIRONMENTAL ISSUES ARE NOT LIMITED TO DREDGING ALONE. CONTAMINATION CAN OCCUR FROM SEDIMENTS, NON-INDIGENOUS SPECIES, RESIDUE FROM IMPORTED CONTAINERS, BALLAST WATER, AND CHEMICAL AND FUEL SPILLS, TO NAME A FEW. IT IS IMPORTANT THAT WE STRIVE TO PROTECT OUR WATERWAYS FROM THESE POLLUTANTS, BUT WE MUST ALSO BALANCE THAT WITH U.S. TRADE AND ECONOMIC INTERESTS AS WELL.

SECURITY

WE WANT OUR WATERWAYS TO BE SAFE FOR ALL USERS. SO WE MUST ALSO REALIZE THAT OUR LEADERSHIP POSITION IN THE WORLD ECONOMY AND POLITICAL ARENAS INCREASES THE POTENTIAL FOR TERRORISM AND CRIMINAL ACTIVITY IN OUR PORTS. WE MUST HAVE A COMPREHENSIVE PLAN TO FIRST, DECREASE THE LIKELIHOOD OF THESE EVENTS OCCURING, AND THEN TO RESPOND IN THE UNFORTUNATE EVENT IT DOES HAPPEN.

TECHNOLOGY

TECHNOLOGY IS MOVING FASTER THAN ANY OF US COULD HAVE IMAGINED. THE DEVELOPMENT AND APPLICATION OF TECHNOLOGIES FOR THE MARINE TRANSPORTATION SYSTEM – WHETHER MANAGEMENT, CARGO, PORT INFORMATION, OR VTS/VTIS - IS PIECE-MEAL AND UNCOORDINATED. APPLICATIONS USUALLY FOCUS ON ONLY ONE ASPECT OF THE SYSTEM AND THE BENEFIT IS NOT OPTIMIZED. ONCE, AGAIN, I REFER TO POOR COORDINATION.

COMMUNICATIONS/INFORMATION SYSTEMS

THE MANNER IN WHICH INFORMATION SYSTEMS ARE USED ALSO LIMITS EFFECTIVENESS AND COORDINATION AMONG WATERWAY USERS. RADIO FREQUENCIES ARE CONGESTED, RADIO ETIQUETTE IS POOR, COMMUNICATIONS SYSTEMS ARE INCOMPATIBLE, AND DATA SYSTEMS FOR NAVIGATION, ENVIRONMENTAL CONDITIONS, AND VESSEL MANAGEMENT DO NOT PROVIDE USERS WITH THE INFORMATION THEY NEED TO OPERATE SAFELY AND EFFICIENTLY. WE NEED TO DEVELOP SYSTEMS AND RULES WHICH ARE EFFICIENT AND ABLE TO PASS NECESSARY INFORMATION TO ALL INVOLVED PARTIES.

MTS CONFERENCE

THE FEEDBACK GATHERED FROM THE SEVEN LISTENING SESSIONS HAVE FORMED THE BASIS FOR THE NATIONAL MARITIME TRANSPORTATION SYSTEM CONFERENCE TO BE HOSTED BY SECRETARY SLATER IN NOVEMBER.

PARTICIPATING IN THIS CONFERENCE ALONG WITH BE SECRETARY SLATER AND OTHER AGENCY SENIOR EXECUTIVES, WILL BE REPRESENTATIVES OF LOCAL GOVERNMENT, INDUSTRY, AND A BROAD RANGE OF INTEREST AND STAKEHOLDER GROUPS - INCLUDING SOME OF THE REGIONAL LISTENING SESSION PARTICIPANTS. I UNDERSTAND THAT GUS ELMER AND OTHER API MEMBERS WILL ALSO BE ATTENDANCE AND LOOK FORWARD TO HIS INPUT.

THE OBJECTIVES THAT WE WANT TO ACHIEVE AT THE MARINE TRANSPORTATION SYSTEM CONFERENCE ARE, I BELIEVE, VERY MUCH A NEEDED STEP DOWN THE RIGHT PATH. THEY INCLUDE BOTH PROCESS OR MANAGEMENT, SPECIFIC ISSUES, AND SOME SPECIFIC PROBLEM AREAS.

- FIRST, ACHIEVING A COMMON UNDERSTANDING - BETWEEN GOVERNMENT AND STAKEHOLDERS - OF THE PROBLEMS FACING THE SYSTEM.

- DEVELOP AND REACH CONSENSUS ON A “VISION” - AND A COMPREHENSIVE DESCRIPTION - OF THE MTS FOR THE YEAR 2020.
- ESTABLISH A MANAGEMENT SYSTEM FRAMEWORK FOR THE MARINE TRANSPORTATION SYSTEM THAT INCLUDES: A MECHANISM FOR IMPROVED FEDERAL AND STAKEHOLDER COORDINATION IN PLANNING, OPERATIONS, FUNDING, AND DEVELOPMENT OF THE MTS AT THE NATIONAL, REGIONAL AND LOCAL LEVELS.
- WORK KEY ISSUES NOTED ABOVE THAT WERE IDENTIFIED DURING THE REGIONAL LISTENING SESSIONS – SAFETY, SECURITY, ENVIRONMENT, INFRASTRUCTURE AND COMPETITIVENESS.
- OBTAIN COMMITMENT FOR FOLLOW-UP ACTION AND MANAGE IT THROUGH THE MANAGEMENT MECHANISM THAT I MENTIONED EARLIER.
- AND FINALLY, REPORT OUT TO SECRETARY SLATER AND PEERS

WE HAVE COMBINED THE ISSUES RAISED AT THE SEVEN REGIONAL LISTENING SESSIONS INTO FIVE CATEGORIES FOR DISCUSSION AT THE 2 ½ DAY CONFERENCE. THESE CATEGORIES ARE INFRASTRUCTURE, ENVIRONMENT, SAFETY, SECURITY, AND GLOBAL COMPETITIVENESS.

THESE ISSUES WILL BE ADDRESSED IN SMALL GROUP FORMATS.

EACH GROUP WILL CONSIDER ITS RESPECTIVE ISSUE AND FORMULATE STRATEGIES FOR ADDRESSING SHORT

COMINGS OF THE MARINE TRANSPORTATION SYSTEM.

IDEALLY, THESE SOLUTIONS WILL TASK AND FOCUS SOME OF THE COORDINATING STRUCTURES AND PARTNERSHIPS PREVIOUSLY NOTED.

FURTHER, AN MTS COUNCIL - TO BE INSTITUTED BY AN

EXECUTIVE ORDER AND CHAIRED BY SECRETARY SLATER

- IS PROPOSED. THIS COUNCIL WILL:

- CREATE A NATIONAL STRATEGY, POLICY AND GOALS FOR MTS.
- ADVISE AND CONSULT OTHER AGENCIES, STATE AND LOCAL GOVERNMENTS, COMMISSIONS, PRIVATE SECTOR ORGANIZATIONS ON DECISIONS TO MAINTAIN, IMPROVE AND DEVELOP PORT, WATERWAY AND INTERMODAL INFRASTRUCTURE AND SERVICES.
- RECOMMEND TO THE PRESIDENT STRATEGIES TO ENSURE A SAFE, ENVIRONMENTALLY SOUND, AND SECURE MTS THAT IMPROVES OUR NATION'S GLOBAL COMPETITIVENESS AND NATIONAL SECURITY.
- COORDINATE THE U.S. DEVELOPMENT OF INTERNATIONAL MARITIME STANDARDS AND POLICIES ON THE DELIVERY AND COLLECTION OF INFORMATION AND DATA.

- PRODUCE REPORTS OF ACTIVITIES AND FINDINGS AS THEY APPLY TO THE PREVIOUSLY LISTED FUNCTIONS.

IN SHORT, THE COUNCIL WILL ALLOW ISSUES RAISED AT THE LOCAL LEVEL TO BE RAISED TO THE NATIONAL LEVEL.

THE NATIONAL CONFERENCE (AND THE REGIONAL LISTENING SESSIONS) MARK THE BEGINNING OF A PROCESS. WE WILL SEE MANY ORGANIZATIONS IN AND OUTSIDE OF THE VARIOUS LEVELS OF GOVERNMENT WORKING TO IMPROVE THE NATION'S MARINE TRANSPORTATION SYSTEM, AND BRING US TOWARDS ACHIEVEMENT OF OUR NATIONAL VISION FOR THE SYSTEM.

IMO ISSUES

FINALLY, LET ME BRIEFLY HIGHLIGHT KEY ISSUES BEFORE IMO'S MARINE SAFETY AND MARINE ENVIRONMENTAL PROTECTION COMMITTEES.

THE MSC IS CONTINUING TO BUILD ON THE RECENT IMPLEMENTATION OF THE ISM CODE BY INTRODUCING HUMAN ELEMENT CONCERNS THROUGHOUT ITS DECISION-MAKING PROCESS. THE HUMAN ELEMENT, OF COURSE, FOCUSES SAFETY MORE ON *PERSONNEL* RATHER THAN *MATERIEL*.

ONE OF THE SPECIFIC GOALS EXPRESSED IN A RESOLUTION ADOPTED BY IMO IS TO HAVE IN PLACE “A STRUCTURED APPROACH FOR THE PROPER CONSIDERATION OF HUMAN ELEMENT ISSUES FOR USE IN THE DEVELOPMENT OF REGULATIONS AND GUIDELINES BY ALL COMMITTEES AND SUBCOMMITTEES.”

WE HAVE BEEN WORKING IN MSC TO DEVELOP A “HUMAN ELEMENT ANALYZING PROCESS” WHICH IS REFERRED TO BY ITS ACRONYM AS “HEAP.” ESSENTIALLY, HEAP IS A PRACTICAL TOOL, DESIGNED TO ADDRESS THE HUMAN ELEMENT AND USED FOR CONSIDERATION OF MARITIME SAFETY ENVIRONMENTAL PROTECTION ISSUES AT IMO.

IT UTILIZES A FLOW-CHART WHICH TAKES THE USER THROUGH A LOGICAL SERIES OF QUESTIONS TO ADDRESS HUMAN ELEMENT IMPLICATIONS IN THE REGULATORY DEVELOPMENT PROCESS AT IMO.

A SEPARATE BUT SIMILAR EFFORT BEING WORKED ON AT MSC IS CALLED “FORMAL SAFETY ASSESSMENT.” THE PURPOSE OF THIS ASSESSMENT TOOL IS TO “HELP IN THE EVALUATION OF NEW SAFETY REGULATIONS OR [FOR] MAKING A COMPARISON BETWEEN EXISTING AND POSSIBLY IMPROVED REGULATIONS, WITH A VIEW TO ACHIEVING A BALANCE BETWEEN THE VARIOUS TECHNICAL AND OPERATIONAL ISSUES, INCLUDING THE HUMAN ELEMENT, AND BETWEEN SAFETY AND COSTS.”

THE FORMAL SAFETY ASSESSMENT IS PARTLY A COST-BENEFIT ANALYSIS, PARTLY AN EXAMINATION OF HUMAN ELEMENT ISSUES ALONG THE LINES SET OUT IN THE “HEAP” PROCESS, AND PARTLY A RISK ANALYSIS AND AN ASSESSMENT OF RISK CONTROL OPTIONS.”

WE HOPE THAT DOWN THE LINE, THE HEAP AND FSA PROCESSES WILL PROVIDE IMO WITH USEFUL TOOLS FOR DETERMINING WHEN THERE IS IN FACT A COMPELLING NEED FOR A NEW REGULATION.

OTHER ISSUES BEFORE THE MSC:

- COMBATTING UNSAFE PRACTICES ASSOCIATED WITH THE TRAFFICKING OR TRANSPORT OF MIGRANTS BY SEA.

- CONDUCTING FOLLOW UP ANALYSIS ON IMPLEMENTATION OF STCW, 95 AMMENDMENTS [BASED ON REPORTS FROM EACH PARTY TO THE CONVENTION DETAILING THE STEPS IT HAS TAKEN TO GIVE THE APPLICABLE REQUIREMENTS OF THE CONVENTION “FULL AND COMPLETE EFFECT.”]
- PROPOSING A MANDATORY REPORTING SYSTEM TO PROTECT RIGHT WHALES FROM SHIPS PASSING THROUGH THEIR HABITAT OFF THE EAST COAST OF THE U.S.

THE 42ND SESSION OF MEPC NEXT MONTH WILL ADDRESS THE SPREAD OF AQUATIC NUISANCE SPECIES (ANS) THROUGH VESSEL BALLAST WATER UPTAKE AND DISCHARGE, UNDOUBTEDLY ONE OF THE MOST IMPORTANT PROBLEMS FACING INTERNATIONAL SHIPPING INTERESTS. I BELIEVE MOST OF US ARE FAMILIAR WITH MANY OF THE PROBLEM SPECIES THAT HAVE BEEN SPREAD BY BALLAST WATER DISCHARGES –ZEBRA MUSSELS, JAPANESE GREEN CRABS, ALGAL SPECIES CAUSING RED TIDE, AND EVEN PATHOGENS, SUCH AS THE CHOLERA.

IT HAS BECOME APPARENT THAT THE ANS PROBLEM IS A GLOBAL DILEMMA REQUIRING INTERNATIONAL COOPERATION. MEPC 42 WILL CONTINUE WORKING ON A BALLAST WATER MANAGEMENT PROTOCOL THAT COULD BECOME A NEW ANNEX TO MARPOL 73/78.

THE PRESENT DRAFT OF THIS PROTOCOL, WOULD, WITH SOME EXCEPTIONS, REQUIRE BALLAST WATER CARRYING VESSELS ENGAGED IN “DEEP SEA VOYAGES” TO EXCHANGE BALLAST WATER WHILE IN THE “DEEP SEA” SEGMENT OF THEIR VOYAGES - THAT IS, IN WATERS 500 METERS OR MORE IN DEPTH AND 200 NAUTICAL MILES OR MORE FROM SHORE FOR MORE THAN 48 HOURS.

UNDER THE PROPOSED PROTOCOL, THESE VESSELS WOULD ALSO HAVE THE OPTION OF FOREGOING BALLAST WATER EXCHANGE AT SEA IF THEY ELECTED TO: 1) RETAIN ALL BALLAST ON BOARD IN PORT; 2) DISCHARGE BALLAST TO A SHORESIDE RECEPTION FACILITY, OR: 3) EMPLOY AN ALTERNATE BALLAST WATER TREATMENT METHOD THAT HAD BEEN APPROVED AS SAFE AND EFFECTIVE BY IMO.

THE CURRENT DRAFT IMO INSTRUMENT WAS DEVELOPED FROM A DRAFT SUBMITTED BY THE U.S. HOWEVER, I SHOULD MENTION THAT THE U.S. WORKING GROUP ON THIS ISSUE – INCLUDING REPS FROM ABS AND CSA – HAVE SOME CONCERNS WITH IT.

FIRST, THE DRAFT ALLOWS ANY PORT STATE THE OPTION OF EXEMPTING SHIPS FROM COMPLIANCE WITH ALL OR PART OF THE REGULATIONS IN AREAS UNDER ITS JURISDICTION. SECOND, THE PROTOCOL PLACES TOO MUCH RELIANCE ON SHIPS CONTROL THROUGH BALLAST WATER EXCHANGE. WE ADVOCATE THE INCLUSION OF A PROCESS THAT WOULD ACCELERATE THE DEVELOPMENT OF SAFE AND EFFECTIVE ALTERNATIVES TO BALLAST WATER EXCHANGE.

OTHER KEY ISSUES BEFORE THE MEPC INCLUDE:

- CONTINUED DEVELOPMENT OF A PROTOCOL THAT WOULD PHASE OUT AND EVENTUALLY BAN THE USE OF ORGANOTIN COMPOUNDS AS VESSEL ANTI-FOULING PAINTS.
- THE INADEQUACY OF PORT RECEPTION FACILITIES FOR SHIPBOARD WASTE.
- SEVERAL ISSUES RELATING TO THE PREVENTION OF AIR POLLUTION FROM SHIPS. A PRIORITY IN THIS AREA WILL BE THE DEVELOPMENT OF A NUMBER OF GUIDELINES CALLED FOR IN BOTH ANNEX VI – THE NEW MARPOL ANNEX ON PREVENTION OF AIR POLLUTION FROM SHIPS - AND THE ASSOCIATED NO_x TECHNICAL CODE.

THAT COMPLETES MY UPDATES ON ISM AND MARINE
TRANSPORTATION SYSTEM INITIATIVES AND IMO. AGAIN,
I APPRECIATE THE OPPORTUNITY TO NETWORK.

I'D BE HAPPY TO ANSWER ANY QUESTIONS YOU MAY HAVE.